



# State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

## Appendix A ... segment VII

### LRB BILL HISTORY RESEARCH APPENDIX

The drafting file for 2013 LRB-1888 (For: LRB)

has been copied/added to the drafting file for

**2013 LRBb0097** (For: LFB – Budget)



**RESEARCH APPENDIX -**  
**PLEASE KEEP WITH THE DRAFTING FILE**

Date Transfer Requested: 06/05/2013 (Per: PJK)

The attached draft was incorporated into the new draft listed above. For research purposes the attached materials were added, as a appendix, to the new drafting file. If introduced this section will be scanned and added, as a separate appendix, to the electronic drafting file folder.



State of Wisconsin  
2013-2014 LEGISLATURE

800 AM



LRB-1888/P5  
PJK&JK:eev:ph

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stays

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

Changes  
start  
on p. 28

rege

1 AN ACT *to repeal* 13.94 (1) (dh), 13.94 (1s) (c) 4., 25.17 (63), 40.02 (54) (L), 49.67  
2 (3) (am) 2. a., 49.686 (6), 70.11 (41m), 71.65 (4), 71.78 (4) (i), 71.80 (13), chapter  
3 149, 613.03 (4), 631.20 (1) (c) 5., 631.20 (2) (f), 631.36 (7) (a) 1. and 632.785; *to*  
4 **consolidate, renumber and amend** 631.36 (7) (a) (intro.) and 2.; *to amend*  
5 1.12 (1) (b), 13.172 (1), 13.62 (2), 13.95 (intro.), 16.002 (2), 16.004 (4), 16.004 (5),  
6 16.004 (12) (a), 16.045 (1) (a), 16.15 (1) (ab), 16.41 (4), 16.417 (1) (a), 16.52 (7),  
7 16.528 (1) (a), 16.53 (2), 16.54 (9) (a) 1., 16.70 (2), 16.72 (2) (e) (intro.), 16.72 (2)  
8 (f), 16.75 (1m), 16.75 (8) (a) 1., 16.75 (8) (a) 2., 16.75 (9), 16.765 (1), 16.765 (2),  
9 16.765 (4), 16.765 (5), 16.765 (6), 16.765 (7) (intro.), 16.765 (7) (d), 16.765 (8),  
10 16.85 (2), 16.865 (8), 20.435 (1) (am), 25.50 (1) (d), 49.67 (6) (b) 1., 71.07 (5g) (a),  
11 71.07 (5g) (b), 71.07 (5g) (c) 1., 71.26 (1) (be), 71.28 (5g) (a), 71.28 (5g) (b), 71.28  
12 (5g) (c) 1., 71.47 (5g) (a), 71.47 (5g) (b), 71.47 (5g) (c) 1., 76.655 (1), 76.655 (2),  
13 76.655 (3) (a), 77.54 (9a) (a), 101.055 (2) (a), 230.03 (3), 230.80 (4), 230.90 (1) (c),  
14 601.41 (1), 601.415 (12), 601.64 (1), 601.64 (3) (a), 601.64 (3) (c), 601.64 (4),  
15 631.36 (7) (b), 632.897 (11) (a) and 646.01 (1) (a) 2. k.; and *to create* 20.145 (5)

1 and 895.514 of the statutes; **relating to:** dissolving the Health Insurance  
2 Risk-Sharing Plan Authority and health care plan.

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***Analysis by the Legislative Reference Bureau***

This is a preliminary draft. An analysis will be provided in a subsequent version of this draft.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

3 **SECTION 1.** 1.12 (1) (b) of the statutes is amended to read:

4 1.12 (1) (b) “State agency” means an office, department, agency, institution of  
5 higher education, the legislature, a legislative service agency, the courts, a judicial  
6 branch agency, an association, society, or other body in state government that is  
7 created or authorized to be created by the constitution or by law, for which  
8 appropriations are made by law, ~~excluding the Health Insurance Risk-Sharing Plan~~  
9 ~~Authority~~ and the Wisconsin Economic Development Corporation.

10 **SECTION 2.** 13.172 (1) of the statutes is amended to read:

11 13.172 (1) In this section, “agency” means an office, department, agency,  
12 institution of higher education, association, society, or other body in state  
13 government created or authorized to be created by the constitution or any law, that  
14 is entitled to expend moneys appropriated by law, including the legislature and the  
15 courts, and any authority created in subch. II of ch. 114 ~~or subch. III of ch. 149~~ or in  
16 ch. 231, 233, 234, 238, or 279.

17 **SECTION 3.** 13.62 (2) of the statutes is amended to read:

18 13.62 (2) “Agency” means any board, commission, department, office, society,  
19 institution of higher education, council, or committee in the state government, or any  
20 authority created in subch. II of ch. 114 ~~or subch. III of ch. 149~~ or in ch. 231, 232, 233,

1 234, 237, 238, or 279, except that the term does not include a council or committee  
2 of the legislature.

3 **SECTION 4.** 13.94 (1) (dh) of the statutes is repealed.

4 **SECTION 5.** 13.94 (1s) (c) 4. of the statutes is repealed.

5 **SECTION 6.** 13.95 (intro.) of the statutes is amended to read:

6 **13.95 Legislative fiscal bureau.** (intro.) There is created a bureau to be  
7 known as the “Legislative Fiscal Bureau” headed by a director. The fiscal bureau  
8 shall be strictly nonpartisan and shall at all times observe the confidential nature  
9 of the research requests received by it; however, with the prior approval of the  
10 requester in each instance, the bureau may duplicate the results of its research for  
11 distribution. Subject to s. 230.35 (4) (a) and (f), the director or the director’s  
12 designated employees shall at all times, with or without notice, have access to all  
13 state agencies, the University of Wisconsin Hospitals and Clinics Authority, the  
14 Wisconsin Aerospace Authority, ~~the Health Insurance Risk-Sharing Plan Authority,~~  
15 the Lower Fox River Remediation Authority, the Wisconsin Economic Development  
16 Corporation, and the Fox River Navigational System Authority, and to any books,  
17 records, or other documents maintained by such agencies or authorities and relating  
18 to their expenditures, revenues, operations, and structure.

19 **SECTION 7.** 16.002 (2) of the statutes is amended to read:

20 16.002 (2) “Departments” means constitutional offices, departments, and  
21 independent agencies and includes all societies, associations, and other agencies of  
22 state government for which appropriations are made by law, but not including  
23 authorities created in subch. II of ch. 114 ~~or subch. III of ch. 149~~ or in ch. 231, 232,  
24 233, 234, 237, 238, or 279.

25 **SECTION 8.** 16.004 (4) of the statutes is amended to read:

**SECTION 8**

1           16.004 (4) FREEDOM OF ACCESS. The secretary and such employees of the  
2           department as the secretary designates may enter into the offices of state agencies  
3           and authorities created under subch. II of ch. 114 and ~~subch. III of ch. 149~~ and under  
4           chs. 231, 233, 234, 237, 238, and 279, and may examine their books and accounts and  
5           any other matter that in the secretary's judgment should be examined and may  
6           interrogate the agency's employees publicly or privately relative thereto.

7           **SECTION 9.** 16.004 (5) of the statutes is amended to read:

8           16.004 (5) AGENCIES AND EMPLOYEES TO COOPERATE. All state agencies and  
9           authorities created under subch. II of ch. 114 and ~~subch. III of ch. 149~~ and under chs.  
10          231, 233, 234, 237, 238, and 279, and their officers and employees, shall cooperate  
11          with the secretary and shall comply with every request of the secretary relating to  
12          his or her functions.

13          **SECTION 10.** 16.004 (12) (a) of the statutes is amended to read:

14          16.004 (12) (a) In this subsection, "state agency" means an association,  
15          authority, board, department, commission, independent agency, institution, office,  
16          society, or other body in state government created or authorized to be created by the  
17          constitution or any law, including the legislature, the office of the governor, and the  
18          courts, but excluding the University of Wisconsin Hospitals and Clinics Authority,  
19          the Wisconsin Aerospace Authority, ~~the Health Insurance Risk-Sharing Plan~~  
20          ~~Authority~~, the Lower Fox River Remediation Authority, the Wisconsin Economic  
21          Development Corporation, and the Fox River Navigational System Authority.

22          **SECTION 11.** 16.045 (1) (a) of the statutes is amended to read:

23          16.045 (1) (a) "Agency" means an office, department, independent agency,  
24          institution of higher education, association, society, or other body in state  
25          government created or authorized to be created by the constitution or any law, that

1 is entitled to expend moneys appropriated by law, including the legislature and the  
2 courts, but not including an authority created in subch. II of ch. 114 ~~or subch. III of~~  
3 ~~ch. 149~~ or in ch. 231, 232, 233, 234, 237, 238, or 279.

4 **SECTION 12.** 16.15 (1) (ab) of the statutes is amended to read:

5 16.15 (1) (ab) “Authority” has the meaning given under s. 16.70 (2), but  
6 excludes the University of Wisconsin Hospitals and Clinics Authority, the Lower Fox  
7 River Remediation Authority, and the Wisconsin Economic Development  
8 Corporation, ~~and the Health Insurance Risk-Sharing Plan Authority.~~

9 **SECTION 13.** 16.41 (4) of the statutes is amended to read:

10 16.41 (4) In this section, “authority” means a body created under subch. II of  
11 ch. 114 ~~or subch. III of ch. 149~~ or under ch. 231, 233, 234, 237, 238, or 279.

12 **SECTION 14.** 16.417 (1) (a) of the statutes is amended to read:

13 16.417 (1) (a) “Agency” means an office, department, independent agency,  
14 institution of higher education, association, society, or other body in state  
15 government created or authorized to be created by the constitution or any law, that  
16 is entitled to expend moneys appropriated by law, including the legislature and the  
17 courts, ~~but not including an authority or the body created under subch. III of ch. 149.~~

18 **SECTION 15.** 16.52 (7) of the statutes is amended to read:

19 16.52 (7) PETTY CASH ACCOUNT. With the approval of the secretary, each agency  
20 that is authorized to maintain a contingent fund under s. 20.920 may establish a  
21 petty cash account from its contingent fund. The procedure for operation and  
22 maintenance of petty cash accounts and the character of expenditures therefrom  
23 shall be prescribed by the secretary. In this subsection, “agency” means an office,  
24 department, independent agency, institution of higher education, association,  
25 society, or other body in state government created or authorized to be created by the

1 constitution or any law, that is entitled to expend moneys appropriated by law,  
2 including the legislature and the courts, but not including an authority created in  
3 subch. II of ch. 114 ~~or subch. III of ch. 149~~ or in ch. 231, 233, 234, 237, 238, or 279.

4 **SECTION 16.** 16.528 (1) (a) of the statutes is amended to read:

5 16.528 (1) (a) “Agency” means an office, department, independent agency,  
6 institution of higher education, association, society, or other body in state  
7 government created or authorized to be created by the constitution or any law, that  
8 is entitled to expend moneys appropriated by law, including the legislature and the  
9 courts, but not including an authority created in subch. II of ch. 114 ~~or subch. III of~~  
10 ~~ch. 149~~ or in ch. 231, 233, 234, 237, 238, or 279.

11 **SECTION 17.** 16.53 (2) of the statutes is amended to read:

12 16.53 (2) IMPROPER INVOICES. If an agency receives an improperly completed  
13 invoice, the agency shall notify the sender of the invoice within 10 working days after  
14 it receives the invoice of the reason it is improperly completed. In this subsection,  
15 “agency” means an office, department, independent agency, institution of higher  
16 education, association, society, or other body in state government created or  
17 authorized to be created by the constitution or any law, that is entitled to expend  
18 moneys appropriated by law, including the legislature and the courts, but not  
19 including an authority created in subch. II of ch. 114 ~~or subch. III of ch. 149~~ or in ch.  
20 231, 233, 234, 237, 238, or 279.

21 **SECTION 18.** 16.54 (9) (a) 1. of the statutes is amended to read:

22 16.54 (9) (a) 1. “Agency” means an office, department, independent agency,  
23 institution of higher education, association, society or other body in state  
24 government created or authorized to be created by the constitution or any law, which  
25 is entitled to expend moneys appropriated by law, including the legislature and the

1 courts, but not including an authority created in subch. II of ch. 114 ~~or subch. III of~~  
2 ~~ch. 149~~ or in ch. 231, 233, 234, 237, 238, or 279.

3 **SECTION 19.** 16.70 (2) of the statutes is amended to read:

4 16.70 (2) “Authority” means a body created under subch. II of ch. 114 ~~or subch.~~  
5 ~~III of ch. 149~~ or under ch. 231, 232, 233, 234, 237, or 279.

6 **SECTION 20.** 16.72 (2) (e) (intro.) of the statutes is amended to read:

7 16.72 (2) (e) (intro.) In writing the specifications under this subsection, the  
8 department and any other designated purchasing agent under s. 16.71 (1) shall  
9 incorporate requirements for the purchase of products made from recycled materials  
10 and recovered materials if their use is technically and economically feasible. Each  
11 authority other than the University of Wisconsin Hospitals and Clinics Authority,  
12 and the Lower Fox River Remediation Authority, ~~and the Health Insurance~~  
13 ~~Risk-Sharing Plan Authority~~, in writing specifications for purchasing by the  
14 authority, shall incorporate requirements for the purchase of products made from  
15 recycled materials and recovered materials if their use is technically and  
16 economically feasible. The specifications shall include requirements for the  
17 purchase of the following materials:

18 **SECTION 21.** 16.72 (2) (f) of the statutes is amended to read:

19 16.72 (2) (f) In writing specifications under this subsection, the department,  
20 any other designated purchasing agent under s. 16.71 (1), and each authority other  
21 than the University of Wisconsin Hospitals and Clinics Authority, and the Lower Fox  
22 River Remediation Authority, ~~and the Health Insurance Risk-Sharing Plan~~  
23 ~~Authority~~ shall incorporate requirements relating to the recyclability and ultimate  
24 disposition of products and, wherever possible, shall write the specifications so as to  
25 minimize the amount of solid waste generated by the state, consistent with the



1 priorities established under s. 287.05 (12). All specifications under this subsection  
2 shall discourage the purchase of single-use, disposable products and require,  
3 whenever practical, the purchase of multiple-use, durable products.

4 **SECTION 22.** 16.75 (1m) of the statutes is amended to read:

5 16.75 (1m) The department shall award each order or contract for materials,  
6 supplies or equipment on the basis of life cycle cost estimates, whenever such action  
7 is appropriate. Each authority other than the University of Wisconsin Hospitals and  
8 Clinics Authority, the Lower Fox River Remediation Authority, and the Wisconsin  
9 Aerospace Authority, ~~and the Health Insurance Risk-Sharing Plan Authority~~ shall  
10 award each order or contract for materials, supplies or equipment on the basis of life  
11 cycle cost estimates, whenever such action is appropriate. The terms, conditions and  
12 evaluation criteria to be applied shall be incorporated in the solicitation of bids or  
13 proposals. The life cycle cost formula may include, but is not limited to, the  
14 applicable costs of energy efficiency, acquisition and conversion, money,  
15 transportation, warehousing and distribution, training, operation and maintenance  
16 and disposition or resale. The department shall prepare documents containing  
17 technical guidance for the development and use of life cycle cost estimates, and shall  
18 make the documents available to local governmental units.

19 **SECTION 23.** 16.75 (8) (a) 1. of the statutes is amended to read:

20 16.75 (8) (a) 1. The department, any other designated purchasing agent under  
21 s. 16.71 (1), any agency making purchases under s. 16.74, and each authority other  
22 than the University of Wisconsin Hospitals and Clinics Authority, and the Lower Fox  
23 River Remediation Authority, ~~and the Health Insurance Risk-Sharing Plan~~  
24 ~~Authority~~ shall, to the extent practicable, make purchasing selections using

1 specifications developed under s. 16.72 (2) (e) to maximize the purchase of materials  
2 utilizing recycled materials and recovered materials.

3 **SECTION 24.** 16.75 (8) (a) 2. of the statutes is amended to read:

4 16.75 (8) (a) 2. Each agency and authority other than the University of  
5 Wisconsin Hospitals and Clinics Authority, and the Lower Fox River Remediation  
6 Authority, ~~and the Health Insurance Risk-Sharing Plan Authority~~ shall ensure that  
7 the average recycled or recovered content of all paper purchased by the agency or  
8 authority measured as a proportion, by weight, of the fiber content of paper products  
9 purchased in a fiscal year, is not less than 40% of all purchased paper.

10 **SECTION 25.** 16.75 (9) of the statutes is amended to read:

11 16.75 (9) The department, any other designated purchasing agent under s.  
12 16.71 (1), any agency making purchases under s. 16.74, and any authority other than  
13 the University of Wisconsin Hospitals and Clinics Authority, and the Lower Fox  
14 River Remediation Authority, ~~and the Health Insurance Risk-Sharing Plan~~  
15 ~~Authority~~ shall, to the extent practicable, make purchasing selections using  
16 specifications prepared under s. 16.72 (2) (f).

17 **SECTION 26.** 16.765 (1) of the statutes is amended to read:

18 16.765 (1) Contracting agencies, the University of Wisconsin Hospitals and  
19 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin  
20 Aerospace Authority, ~~the Health Insurance Risk-Sharing Plan Authority~~, the Lower  
21 Fox River Remediation Authority, the Wisconsin Economic Development  
22 Corporation, and the Bradley Center Sports and Entertainment Corporation shall  
23 include in all contracts executed by them a provision obligating the contractor not  
24 to discriminate against any employee or applicant for employment because of age,  
25 race, religion, color, handicap, sex, physical condition, developmental disability as

1 defined in s. 51.01 (5), sexual orientation as defined in s. 111.32 (13m), or national  
2 origin and, except with respect to sexual orientation, obligating the contractor to take  
3 affirmative action to ensure equal employment opportunities.

4 **SECTION 27.** 16.765 (2) of the statutes is amended to read:

5 16.765 (2) Contracting agencies, the University of Wisconsin Hospitals and  
6 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin  
7 Aerospace Authority, ~~the Health Insurance Risk-Sharing Plan Authority~~, the Lower  
8 Fox River Remediation Authority, the Wisconsin Economic Development  
9 Corporation, and the Bradley Center Sports and Entertainment Corporation shall  
10 include the following provision in every contract executed by them: “In connection  
11 with the performance of work under this contract, the contractor agrees not to  
12 discriminate against any employee or applicant for employment because of age, race,  
13 religion, color, handicap, sex, physical condition, developmental disability as defined  
14 in s. 51.01 (5), sexual orientation or national origin. This provision shall include, but  
15 not be limited to, the following: employment, upgrading, demotion or transfer;  
16 recruitment or recruitment advertising; layoff or termination; rates of pay or other  
17 forms of compensation; and selection for training, including apprenticeship. Except  
18 with respect to sexual orientation, the contractor further agrees to take affirmative  
19 action to ensure equal employment opportunities. The contractor agrees to post in  
20 conspicuous places, available for employees and applicants for employment, notices  
21 to be provided by the contracting officer setting forth the provisions of the  
22 nondiscrimination clause”.

23 **SECTION 28.** 16.765 (4) of the statutes is amended to read:

24 16.765 (4) Contracting agencies, the University of Wisconsin Hospitals and  
25 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin

1     Aerospace Authority, ~~the Health Insurance Risk-Sharing Plan Authority~~, the Lower  
2     Fox River Remediation Authority, and the Bradley Center Sports and  
3     Entertainment Corporation shall take appropriate action to revise the standard  
4     government contract forms under this section.

5           **SECTION 29.** 16.765 (5) of the statutes is amended to read:

6           16.765 (5) The head of each contracting agency and the boards of directors of  
7     the University of Wisconsin Hospitals and Clinics Authority, the Fox River  
8     Navigational System Authority, the Wisconsin Aerospace Authority, ~~the Health~~  
9     ~~Insurance Risk-Sharing Plan Authority~~, the Lower Fox River Remediation  
10    Authority, the Wisconsin Economic Development Corporation, and the Bradley  
11    Center Sports and Entertainment Corporation shall be primarily responsible for  
12    obtaining compliance by any contractor with the nondiscrimination and affirmative  
13    action provisions prescribed by this section, according to procedures recommended  
14    by the department. The department shall make recommendations to the contracting  
15    agencies and the boards of directors of the University of Wisconsin Hospitals and  
16    Clinics Authority, the Fox River Navigational System Authority, the Wisconsin  
17    Aerospace Authority, ~~the Health Insurance Risk-Sharing Plan Authority~~, the Lower  
18    Fox River Remediation Authority, the Wisconsin Economic Development  
19    Corporation, and the Bradley Center Sports and Entertainment Corporation for  
20    improving and making more effective the nondiscrimination and affirmative action  
21    provisions of contracts. The department shall promulgate such rules as may be  
22    necessary for the performance of its functions under this section.

23           **SECTION 30.** 16.765 (6) of the statutes is amended to read:

24           16.765 (6) The department may receive complaints of alleged violations of the  
25    nondiscrimination provisions of such contracts. The department shall investigate

1 and determine whether a violation of this section has occurred. The department may  
2 delegate this authority to the contracting agency, the University of Wisconsin  
3 Hospitals and Clinics Authority, the Fox River Navigational System Authority, the  
4 Wisconsin Aerospace Authority, ~~the Health Insurance Risk-Sharing Plan Authority,~~  
5 the Lower Fox River Remediation Authority, the Wisconsin Economic Development  
6 Corporation, or the Bradley Center Sports and Entertainment Corporation for  
7 processing in accordance with the department's procedures.

8 **SECTION 31.** 16.765 (7) (intro.) of the statutes is amended to read:

9 16.765 (7) (intro.) When a violation of this section has been determined by the  
10 department, the contracting agency, the University of Wisconsin Hospitals and  
11 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin  
12 Aerospace Authority, ~~the Health Insurance Risk-Sharing Plan Authority,~~ the Lower  
13 Fox River Remediation Authority, the Wisconsin Economic Development  
14 Corporation, or the Bradley Center Sports and Entertainment Corporation, the  
15 contracting agency, the University of Wisconsin Hospitals and Clinics Authority, the  
16 Fox River Navigational System Authority, the Wisconsin Aerospace Authority, ~~the~~  
17 ~~Health Insurance Risk-Sharing Plan Authority,~~ the Lower Fox River Remediation  
18 Authority, the Wisconsin Economic Development Corporation, or the Bradley Center  
19 Sports and Entertainment Corporation shall:

20 **SECTION 32.** 16.765 (7) (d) of the statutes is amended to read:

21 16.765 (7) (d) Direct the violating party to take immediate steps to prevent  
22 further violations of this section and to report its corrective action to the contracting  
23 agency, the University of Wisconsin Hospitals and Clinics Authority, the Fox River  
24 Navigational System Authority, the Wisconsin Aerospace Authority, ~~the Health~~  
25 ~~Insurance Risk-Sharing Plan Authority,~~ the Lower Fox River Remediation

1 Authority, the Wisconsin Economic Development Corporation, or the Bradley Center  
2 Sports and Entertainment Corporation.

3 **SECTION 33.** 16.765 (8) of the statutes is amended to read:

4 16.765 (8) If further violations of this section are committed during the term  
5 of the contract, the contracting agency, the Fox River Navigational System Authority,  
6 the Wisconsin Aerospace Authority, ~~the Health Insurance Risk-Sharing Plan~~  
7 ~~Authority~~, the Lower Fox River Remediation Authority, the Wisconsin Economic  
8 Development Corporation, or the Bradley Center Sports and Entertainment  
9 Corporation may permit the violating party to complete the contract, after complying  
10 with this section, but thereafter the contracting agency, the Fox River Navigational  
11 System Authority, the Wisconsin Aerospace Authority, ~~the Health Insurance~~  
12 ~~Risk-Sharing Plan Authority~~, the Lower Fox River Remediation Authority, the  
13 Wisconsin Economic Development Corporation, or the Bradley Center Sports and  
14 Entertainment Corporation shall request the department to place the name of the  
15 party on the ineligible list for state contracts, or the contracting agency, the Fox River  
16 Navigational System Authority, the Wisconsin Aerospace Authority, ~~the Health~~  
17 ~~Insurance Risk-Sharing Plan Authority~~, the Lower Fox River Remediation  
18 Authority, the Wisconsin Economic Development Corporation, or the Bradley Center  
19 Sports and Entertainment Corporation may terminate the contract without liability  
20 for the uncompleted portion or any materials or services purchased or paid for by the  
21 contracting party for use in completing the contract.

22 **SECTION 34.** 16.85 (2) of the statutes is amended to read:

23 16.85 (2) To furnish engineering, architectural, project management, and other  
24 building construction services whenever requisitions therefor are presented to the  
25 department by any agency. The department may deposit moneys received from the

1 provision of these services in the account under s. 20.505 (1) (kc) or in the general  
2 fund as general purpose revenue — earned. In this subsection, “agency” means an  
3 office, department, independent agency, institution of higher education, association,  
4 society, or other body in state government created or authorized to be created by the  
5 constitution or any law, which is entitled to expend moneys appropriated by law,  
6 including the legislature and the courts, but not including an authority created in  
7 subch. II of ch. 114 ~~or subch. III of ch. 149~~ or in ch. 231, 233, 234, 237, 238, or 279.

8 **SECTION 35.** 16.865 (8) of the statutes is amended to read:

9 16.865 (8) Annually in each fiscal year, allocate as a charge to each agency a  
10 proportionate share of the estimated costs attributable to programs administered by  
11 the agency to be paid from the appropriation under s. 20.505 (2) (k). The department  
12 may charge premiums to agencies to finance costs under this subsection and pay the  
13 costs from the appropriation on an actual basis. The department shall deposit all  
14 collections under this subsection in the appropriation account under s. 20.505 (2) (k).  
15 Costs assessed under this subsection may include judgments, investigative and  
16 adjustment fees, data processing and staff support costs, program administration  
17 costs, litigation costs, and the cost of insurance contracts under sub. (5). In this  
18 subsection, “agency” means an office, department, independent agency, institution  
19 of higher education, association, society, or other body in state government created  
20 or authorized to be created by the constitution or any law, that is entitled to expend  
21 moneys appropriated by law, including the legislature and the courts, but not  
22 including an authority created in subch. II of ch. 114 ~~or subch. III of ch. 149~~ or in ch.  
23 231, 232, 233, 234, 237, 238, or 279.

24 **SECTION 36.** 20.145 (5) of the statutes is created to read:

1           20.145 (5) HEALTH INSURANCE RISK-SHARING PLAN. (g) Wind-up expenses. All  
 2           moneys received from the Health Insurance Risk-Sharing Plan Authority under  
 3           2013 Wisconsin Act .... (this act), Section 9122 (1) (b) 8. b., from subrogation  
 4           recoveries, from drug rebates, and from any other source related to or resulting from  
 5           the operations or dissolution of the Health Insurance Risk-Sharing Plan, to pay  
 6           expenses related to winding up the affairs of the Health Insurance Risk-Sharing  
 7           Plan, including hiring consultants, limited-term employees, and experts and  
 8           distributing residual monetary assets of the Health Insurance Risk-Sharing Plan.

9           **SECTION 37.** 20.435 (1) (am) of the statutes is amended to read:

10           20.435 (1) (am) *Services, reimbursement, and payment related to human*  
 11           *immunodeficiency virus.* The amounts in the schedule for the purchase of services  
 12           under s. 252.12 (2) (a) for individuals with respect to human immunodeficiency virus  
 13           and related infections, including hepatitis C virus infection, to subsidize premium  
 14           payments under ss. 252.16 and 252.17, for grants for the prevention of human  
 15           immunodeficiency virus infection and related infections, including hepatitis C virus  
 16           infection, under s. 252.12 (2) (c) 2. and 3., to reimburse or supplement the  
 17           reimbursement of the cost of AZT, pentamidine, and certain other drugs under s.  
 18           49.686, ~~to pay for premiums and drug copayments under the pilot program under s.~~  
 19           49.686 (6), and for case management services under s. 49.45 (25) (be).

20           **SECTION 38.** 25.17 (63) of the statutes is repealed.

21           **SECTION 39.** 25.50 (1) (d) of the statutes is amended to read:

22           25.50 (1) (d) "Local government" means any county, town, village, city, power  
 23           district, sewerage district, drainage district, town sanitary district, public inland  
 24           lake protection and rehabilitation district, local professional baseball park district  
 25           created under subch. III of ch. 229, long-term care district under s. 46.2895, local



1 professional football stadium district created under subch. IV of ch. 229, local  
2 cultural arts district created under subch. V of ch. 229, public library system, school  
3 district or technical college district in this state, any commission, committee, board  
4 or officer of any governmental subdivision of this state, any court of this state, other  
5 than the court of appeals or the supreme court, or any authority created under s.  
6 114.61, ~~149.41~~, 231.02, 233.02, or 234.02.

7 **SECTION 40.** 40.02 (54) (L) of the statutes is repealed.

8 **SECTION 41.** 49.67 (3) (am) 2. a. of the statutes is repealed.

9 **SECTION 42.** 49.67 (6) (b) 1. of the statutes is amended to read:

10 49.67 (6) (b) 1. Benefits under the plan under this section shall not include any  
11 charge for care for injury or disease for which benefits are payable without regard  
12 to fault under coverage statutorily required to be contained in any motor vehicle or  
13 other liability insurance policy or equivalent self-insurance, for which benefits are  
14 payable under a worker's compensation or similar law, or for which benefits are  
15 payable under another policy of health care coverage, Medicare, or any other  
16 governmental program, except as otherwise provided by law. ~~If an individual who~~  
17 ~~has coverage under the plan under this section also has coverage under the plan~~  
18 ~~under subch. II of ch. 149, benefits under the plan under this section are secondary~~  
19 ~~to the benefits provided under the plan under subch. II of ch. 149.~~

20 **SECTION 43.** 49.686 (6) of the statutes is repealed.

21 **SECTION 44.** 70.11 (41m) of the statutes is repealed.

22 **SECTION 45.** 71.07 (5g) (a) of the statutes is amended to read:

23 71.07 (5g) (a) *Definitions.* In this subsection, "claimant" means a partner,  
24 limited liability company member, or tax-option corporation shareholder who files

1 a claim under this subsection and who is a partner, member, or shareholder of an  
2 entity that is an insurer, as defined in s. 149.10 (5), 2011 stats.

3 **SECTION 46.** 71.07 (5g) (b) of the statutes is amended to read:

4 71.07 (5g) (b) *Filing claims.* Subject to the limitations provided under this  
5 subsection, for taxable years beginning after December 31, 2005, and before January  
6 1, 2015, a claimant may claim as a credit against the taxes imposed under s. 71.02  
7 an amount that is equal to the amount of the assessment under s. 149.13, 2011 stats.,  
8 that the claimant paid in the claimant's taxable year, multiplied by the percentage  
9 determined under par. (c) 1.

10 **SECTION 47.** 71.07 (5g) (c) 1. of the statutes is amended to read:

11 71.07 (5g) (c) 1. The department of revenue, in consultation with the office of  
12 the commissioner of insurance, shall determine the percentage under par. (b) for  
13 each claimant for each taxable year. The percentage shall be equal to \$5,000,000  
14 divided by the aggregate assessment under s. 149.13, 2011 stats. The office of the  
15 commissioner of insurance shall provide to each claimant that participates in the  
16 cost of administering the plan the aggregate assessment at the time that it notifies  
17 the claimant of the claimant's assessment. The aggregate amount of the credit under  
18 this subsection and ss. 71.28 (5g), 71.47 (5g), and 76.655 for all claimants  
19 participating in the cost of administering the plan under ch. 149, 2011 stats., shall  
20 not exceed \$5,000,000 in each fiscal year.

21 **SECTION 48.** 71.26 (1) (be) of the statutes is amended to read:

22 71.26 (1) (be) *Certain authorities.* Income of the University of Wisconsin  
23 Hospitals and Clinics Authority, ~~of the Health Insurance Risk-Sharing Plan~~  
24 ~~Authority~~, of the Fox River Navigational System Authority, of the Wisconsin  
25 Economic Development Corporation, and of the Wisconsin Aerospace Authority.

1       **SECTION 49.** 71.28 (5g) (a) of the statutes is amended to read:

2       71.28 (5g) (a) *Definitions.* In this subsection, “claimant” means an insurer, as  
3       defined in s. 149.10 (5), 2011 stats., who files a claim under this subsection.

4       **SECTION 50.** 71.28 (5g) (b) of the statutes is amended to read:

5       71.28 (5g) (b) *Filing claims.* Subject to the limitations provided under this  
6       subsection, for taxable years beginning after December 31, 2005, and before January  
7       1, 2015, a claimant may claim as a credit against the taxes imposed under s. 71.23  
8       an amount that is equal to the amount of assessment under s. 149.13, 2011 stats.,  
9       that the claimant paid in the claimant’s taxable year, multiplied by the percentage  
10      determined under par. (c) 1.

11      **SECTION 51.** 71.28 (5g) (c) 1. of the statutes is amended to read:

12      71.28 (5g) (c) 1. The department of revenue, in consultation with the office of  
13      the commissioner of insurance, shall determine the percentage under par. (b) for  
14      each claimant for each taxable year. The percentage shall be equal to \$5,000,000  
15      divided by the aggregate assessment under s. 149.13, 2011 stats. The office of the  
16      commissioner of insurance shall provide to each claimant that participates in the  
17      cost of administering the plan the aggregate assessment at the time that it notifies  
18      the claimant of the claimant’s assessment. The aggregate amount of the credit under  
19      this subsection and ss. 71.07 (5g), 71.47 (5g), and 76.655 for all claimants  
20      participating in the cost of administering the plan under ch. 149, 2011 stats., shall  
21      not exceed \$5,000,000 in each fiscal year.

22      **SECTION 52.** 71.47 (5g) (a) of the statutes is amended to read:

23      71.47 (5g) (a) *Definitions.* In this subsection, “claimant” means an insurer, as  
24      defined in s. 149.10 (5), 2011 stats., who files a claim under this subsection.

25      **SECTION 53.** 71.47 (5g) (b) of the statutes is amended to read:

1           71.47 (5g) (b) *Filing claims.* Subject to the limitations provided under this  
2 subsection, for taxable years beginning after December 31, 2005, and before January  
3 1, 2015, a claimant may claim as a credit against the taxes imposed under s. 71.43  
4 an amount that is equal to the amount of assessment under s. 149.13, 2011 stats.,  
5 that the claimant paid in the claimant's taxable year, multiplied by the percentage  
6 determined under par. (c) 1.

7           **SECTION 54.** 71.47 (5g) (c) 1. of the statutes is amended to read:

8           71.47 (5g) (c) 1. The department of revenue, in consultation with the office of  
9 the commissioner of insurance, shall determine the percentage under par. (b) for  
10 each claimant for each taxable year. The percentage shall be equal to \$5,000,000  
11 divided by the aggregate assessment under s. 149.13, 2011 stats. The office of the  
12 commissioner of insurance shall provide to each claimant that participates in the  
13 cost of administering the plan the aggregate assessment at the time that it notifies  
14 the claimant of the claimant's assessment. The aggregate amount of the credit under  
15 this subsection and ss. 71.07 (5g), 71.28 (5g), and 76.655 for all claimants  
16 participating in the cost of administering the plan under ch. 149, 2011 stats., shall  
17 not exceed \$5,000,000 in each fiscal year.

18           **SECTION 55.** 71.65 (4) of the statutes is repealed.

19           **SECTION 56.** 71.78 (4) (i) of the statutes is repealed.

20           **SECTION 57.** 71.80 (13) of the statutes is repealed.

21           **SECTION 58.** 76.655 (1) of the statutes is amended to read:

22           76.655 (1) DEFINITIONS. In this section, "claimant" means an insurer, as defined  
23 in s. 149.10 (5), 2011 stats., who files a claim under this section.

24           **SECTION 59.** 76.655 (2) of the statutes is amended to read:

1           76.655 (2) FILING CLAIMS. Subject to the limitations provided under this section,  
2   for taxable years beginning after December 31, 2005, and before January 1, 2015, a  
3   claimant may claim as a credit against the fees imposed under ss. 76.60, 76.63, 76.65,  
4   76.66 or 76.67 an amount that is equal to the amount of assessment under s. 149.13,  
5   2011 stats., that the claimant paid in the claimant's taxable year, multiplied by the  
6   percentage determined under sub. (3).

7           **SECTION 60.** 76.655 (3) (a) of the statutes is amended to read:

8           76.655 (3) (a) The department of revenue, in consultation with the office of the  
9   commissioner of insurance, shall determine the percentage under sub. (2) for each  
10   claimant for each taxable year. The percentage shall be equal to \$5,000,000 divided  
11   by the aggregate assessment under s. 149.13, 2011 stats. The office of the  
12   commissioner of insurance shall provide to each claimant that participates in the  
13   cost of administering the plan the aggregate assessment at the time that it notifies  
14   the claimant of the claimant's assessment. The aggregate amount of the credit under  
15   this subsection and ss. 71.07 (5g), 71.28 (5g), and 71.47 (5g) for all claimants  
16   participating in the cost of administering the plan under ch. 149, 2011 stats., shall  
17   not exceed \$5,000,000 in each fiscal year.

18          **SECTION 61.** 77.54 (9a) (a) of the statutes is amended to read:

19          77.54 (9a) (a) This state or any agency thereof, the University of Wisconsin  
20   Hospitals and Clinics Authority, the Wisconsin Aerospace Authority, ~~the Health~~  
21   ~~Insurance Risk-Sharing Plan Authority~~, the Wisconsin Economic Development  
22   Corporation, and the Fox River Navigational System Authority.

23          **SECTION 62.** 101.055 (2) (a) of the statutes is amended to read:

24          101.055 (2) (a) "Agency" means an office, department, independent agency,  
25   authority, institution, association, society, or other body in state government created

1 or authorized to be created by the constitution or any law, and includes the  
2 legislature and the courts, ~~but excludes the Health Insurance Risk-Sharing Plan~~  
3 ~~Authority.~~

4 **SECTION 63.** Chapter 149 of the statutes is repealed.

5 **SECTION 64.** 230.03 (3) of the statutes, as affected by 2011 Wisconsin Acts 10,  
6 32 and 229, is amended to read:

7 230.03 (3) “Agency” means any board, commission, committee, council, or  
8 department in state government or a unit thereof created by the constitution or  
9 statutes if such board, commission, committee, council, department, unit, or the  
10 head thereof, is authorized to appoint subordinate staff by the constitution or  
11 statute, except the Board of Regents of the University of Wisconsin System, a  
12 legislative or judicial board, commission, committee, council, department, or unit  
13 thereof or an authority created under subch. II of ch. 114 ~~or subch. III of ch. 149~~ or  
14 under ch. 231, 232, 233, 234, 237, 238, or 279. “Agency” does not mean any local unit  
15 of government or body within one or more local units of government that is created  
16 by law or by action of one or more local units of government.

17 **SECTION 65.** 230.80 (4) of the statutes is amended to read:

18 230.80 (4) “Governmental unit” means any association, authority, board,  
19 commission, department, independent agency, institution, office, society, or other  
20 body in state government created or authorized to be created by the constitution or  
21 any law, including the legislature, the office of the governor, and the courts, ~~but~~  
22 ~~excluding the Health Insurance Risk-Sharing Plan Authority.~~ “Governmental unit”  
23 does not mean any political subdivision of the state or body within one or more  
24 political subdivisions that is created by law or by action of one or more political  
25 subdivisions.

1       **SECTION 66.** 230.90 (1) (c) of the statutes is amended to read:

2       230.90 (1) (c) “Governmental unit” means any association, authority, board,  
3       commission, department, independent agency, institution, office, society or other  
4       body in state government created or authorized to be created by the constitution or  
5       any law, including the legislature, the office of the governor and the courts.  
6       “Governmental unit” does not mean the University of Wisconsin Hospitals and  
7       Clinics Authority, ~~the Health Insurance Risk-Sharing Plan Authority~~, or any  
8       political subdivision of the state or body within one or more political subdivisions  
9       which is created by law or by action of one or more political subdivisions.

10       **SECTION 67.** 601.41 (1) of the statutes is amended to read:

11       601.41 (1) DUTIES. The commissioner shall administer and enforce chs. 600 to  
12       655 and ss. 59.52 (11) (c), 66.0137 (4) and (4m), 100.203, and 120.13 (2) (b) to (g), ~~and~~  
13       ~~149.13~~ and shall act as promptly as possible under the circumstances on all matters  
14       placed before the commissioner.

15       **SECTION 68.** 601.415 (12) of the statutes is amended to read:

16       601.415 (12) HEALTH INSURANCE RISK-SHARING PLAN. The commissioner shall  
17       perform the duties specified to be performed by the commissioner in s. 149.13, 2011  
18       stats., and under 2013 Wisconsin Act ... (this act), Section 9122 (1) (b) 8.

19       **SECTION 69.** 601.64 (1) of the statutes is amended to read:

20       601.64 (1) INJUNCTIONS AND RESTRAINING ORDERS. The commissioner may  
21       commence an action in circuit court in the name of the state to restrain by temporary  
22       or permanent injunction or by temporary restraining order any violation of chs. 600  
23       to 655 or s. 149.13, 2011 stats., any rule promulgated under chs. 600 to 655, or any  
24       order issued under s. 601.41 (4). The commissioner need not show irreparable harm  
25       or lack of an adequate remedy at law in an action commenced under this subsection.

use a.r. (A) from p. 31  
use a.r. (B) from p. 31  
use a.r. (X) from p. 31  
q  
1

1           **SECTION 70.** 601.64 (3) (a) of the statutes is amended to read:

2           601.64 (3) (a) *Restitutionary forfeiture.* Whoever violates an effective order  
3           issued under s. 601.41 (4), any insurance statute or rule, or s. 149.13, 2011 stats.,  
4           shall forfeit to the state twice the amount of any profit gained from the violation, in  
5           addition to any other forfeiture or penalty imposed.

6           **SECTION 71.** 601.64 (3) (c) of the statutes is amended to read:

7           601.64 (3) (c) *Forfeiture for violation of statute or rule.* Whoever violates an  
8           insurance statute or rule or s. 149.13, 2011 stats., intentionally aids a person in  
9           violating an insurance statute or rule or s. 149.13, 2011 stats., or knowingly permits  
10          a person over whom he or she has authority to violate an insurance statute or rule  
11          or s. 149.13, 2011 stats., shall forfeit to the state not more than \$1,000 for each  
12          violation. If the statute or rule imposes a duty to make a report to the commissioner,  
13          each week of delay in complying with the duty is a new violation.

14          **SECTION 72.** 601.64 (4) of the statutes is amended to read:

15          601.64 (4) **CRIMINAL PENALTY.** Whoever intentionally violates or intentionally  
16          permits any person over whom he or she has authority to violate or intentionally aids  
17          any person in violating any insurance statute or rule of this state, s. 149.13, 2011  
18          stats., or any effective order issued under s. 601.41 (4) is guilty of a Class I felony,  
19          unless a specific penalty is provided elsewhere in the statutes. Intent has the  
20          meaning expressed under s. 939.23.

21          **SECTION 73.** 613.03 (4) of the statutes is repealed.

22          **SECTION 74.** 631.20 (1) (c) 5. of the statutes is repealed.

23          **SECTION 75.** 631.20 (2) (f) of the statutes is repealed.

24          **SECTION 76.** 631.36 (7) (a) (intro.) and 2. of the statutes are consolidated,  
25          renumbered 631.36 (7) (a) and amended to read:



1           631.36 (7) (a) Notice Except as provided in par. (b), notice of cancellation or  
2 nonrenewal required under sub. (2) (b) or (4) is not effective: ~~2. Unless~~ unless the  
3 notice contains adequate instructions to the policyholder for applying for insurance  
4 through a risk-sharing plan under ch. 619, if a risk-sharing plan exists under ch.  
5 619 for the kind of coverage being canceled or nonrenewed, ~~except as provided in par.~~  
6 ~~(b).~~

7           **SECTION 77.** 631.36 (7) (a) 1. of the statutes is repealed.

8           **SECTION 78.** 631.36 (7) (b) of the statutes is amended to read:

9           631.36 (7) (b) Paragraph (a) ~~2.~~ does not apply to a notice of cancellation or  
10 nonrenewal issued by the mandatory health care liability risk-sharing plan  
11 established under s. 619.04.

12          **SECTION 79.** 632.785 of the statutes is repealed.

13          **SECTION 80.** 632.897 (11) (a) of the statutes is amended to read:

14          632.897 (11) (a) Notwithstanding subs. (2) to (10), the commissioner may  
15 promulgate rules establishing standards requiring insurers to provide continuation  
16 of coverage for any individual covered at any time under a group policy who is a  
17 terminated insured or an eligible individual under any federal program that  
18 provides for a federal premium subsidy for individuals covered under continuation  
19 of coverage under a group policy, including rules governing election or extension of  
20 election periods, notice, rates, premiums, premium payment, application of  
21 preexisting condition exclusions, election of alternative coverage, and status as an  
22 eligible individual, as defined in s. 149.10 (2t), 2011 stats.

23          **SECTION 81.** 646.01 (1) (a) 2. k. of the statutes is amended to read:

24          646.01 (1) (a) 2. k. Risk-sharing plans under ~~chs. 149 and~~ ch. 619.

25          **SECTION 82.** 895.514 of the statutes is created to read:

1           **895.514 Civil liability exemption; Health Insurance Risk-Sharing Plan**  
2           **and Authority. (1)** In this section:

3           (a) “Authority” means the Health Insurance Risk-Sharing Plan Authority  
4 established under subch. III of ch. 149, 2011 stats.

5           (b) “Board” means the board of directors of the authority.

6           (c) “Commissioner” means the commissioner of insurance of this state.

7           (d) “Plan” means the health care insurance plan established under subch. II of  
8 ch. 149, 2011 stats.

9           **(2)** No cause of action of any nature may arise against, and no liability may be  
10 imposed upon, the authority, plan, or board; or any agent, employee, or director of any  
11 of them; or insurers participating in the plan; or the commissioner; or any agent,  
12 employee, or representative of the commissioner, for any act or omission by any of  
13 them in the performance of their powers and duties under ch. 149, 2011 stats., or  
14 under 2013 Wisconsin Act .... (this act), Section 9122 (1), unless the person asserting  
15 liability proves that the act or omission constitutes willful misconduct.

16           **(3)** (a) Except as provided in 2013 Wisconsin Act .... (this act), Section 9122 (1),  
17 neither the state nor any political subdivision of the state nor any officer, employee,  
18 or agent of the state or a political subdivision acting within the scope of employment  
19 or agency is liable for any debt, obligation, act, or omission of the authority.

20           (b) All of the expenses incurred by the authority, or the commissioner, or any  
21 agent, employee, or representative of the commissioner, in exercising its duties and  
22 powers under ch. 149, 2011 stats., or under 2013 Wisconsin Act .... (this act), Section  
23 9122 (1), shall be payable only from funds of the authority or from the appropriation  
24 under s. 20.145 (5) (g).

25           **SECTION 9122. Nonstatutory provisions; Insurance.**

use a.r. (6) from p. 31

1 (1) DISSOLUTION OF THE HEALTH INSURANCE RISK-SHARING PLAN AND AUTHORITY.

2 (a) *Definitions.* In this subsection:

3 1. “Authority” means the Health Insurance Risk-Sharing Plan Authority  
4 under subchapter III of chapter 149 of the statutes.

5 2. “Board” means the board of directors of the authority.

6 3. “Commissioner” means the commissioner of insurance.

7 4. “Covered person” means a person who has coverage under the plan.

8 5. “Office” means the office of the commissioner of insurance.

9 6. “Plan” means the Health Insurance Risk-Sharing Plan under subchapter II  
10 of chapter 149 of the statutes.

11 (b) *Dissolution of the plan and authority.* Notwithstanding any statute,  
12 administrative rule, or provision of a policy or contract or of the plan to the contrary,  
13 the plan and the authority shall be dissolved in accordance with the following:

14 1. ‘Coverage provisions.’

15 a. New coverage under the plan may not be issued to any person after December  
16 31, 2013, except that new coverage under the plan that is funded under a contract  
17 with the federal department of health and human services may not be issued to any  
18 person after December 1, 2013.

19 b. Coverage under the policies issued under the plan terminates on January  
20 1, 2014, or on the date that any health insurance coverage that is accessed through  
21 an American health benefit exchange, as described in 42 USC 18031, in this state is  
22 effective, if later than January 1, 2014. At least 60 days before coverage terminates,  
23 the authority shall provide notice of the date on which coverage terminates to all  
24 covered persons, all insurers and providers that are affected by the termination of

1 the coverage, the office, the legislative audit bureau, and the insurers described in  
2 subsection (2) (b) 1.

3 c. If coverage under the policies issued under the plan terminates on a date that  
4 is later than January 1, 2014, because no health insurance coverage that is accessed  
5 through an American health benefit exchange, as described in 42 USC 18031, in this  
6 state is effective on January 1, 2014, the authority may allow covered persons whose  
7 coverage under the plan is funded under a contract with the federal department of  
8 health and human services to elect to be covered, until coverage under the plan  
9 terminates, under the same coverage provided under the plan to covered persons  
10 whose coverage under the plan is not funded under a contract with the federal  
11 department of health and human services.

12 2. 'Provider claims.' Providers of medical services and devices and prescription  
13 drugs to covered persons must file claims for payment no later than 90 days after the  
14 date coverage terminates under subdivision 1. b. Any claim filed after that date is  
15 not payable and may not be charged to the covered person who received the service,  
16 device, or drug.

17 3. 'Grievances and review.'

18 a. Except for a grievance related to a prior authorization denial, a covered  
19 person must submit any grievance, in writing, no later than 180 days after the date  
20 coverage terminates under subdivision 1. b. or be barred from submitting the  
21 grievance.

22 b. A covered person must submit any grievance related to a prior authorization  
23 denial no later than 45 days before the date on which coverage terminates under  
24 subdivision 1. b. or be barred from submitting the grievance, except that a grievance  
25 related to a prior authorization denial that meets the requirements for an expedited.

1 grievance must be submitted no later than the date on which coverage terminates  
2 under subdivision 1. b. or be barred.

3 c. A covered person who submits a grievance after the date coverage terminates  
4 under subdivision 1. b. must request an independent review, if any, with respect to  
5 the grievance no later than 60 days after he or she receives notice of the disposition  
6 of the grievance or be barred from requesting an independent review with respect to  
7 the grievance.

8 4. 'Payment of plan costs.' The authority shall pay plan costs incurred in 2013  
9 and all other costs associated with dissolving the plan that are incurred before  
10 administrative responsibility for the dissolution of the plan is transferred to the  
11 office under subdivision 9. The authority and the office shall make every effort to pay  
12 plan costs in accordance with, or as closely as possible to, the manner provided in  
13 section 149.143 of the statutes.

14 5. 'Contracts.' The authority may extend any administrative contracts that are  
15 in effect into 2014, regardless of a contract's expiration date and without having to  
16 comply with the requirements under section 149.47 of the statutes for the extension.

17 6. 'Report to legislature.' The authority shall submit a final report on plan  
18 operation to the legislature under section 13.172 of the statutes no later than  
19 September 30, 2013.

20 7. 'Board responsibilities.' The board shall do all of the following:

21 ✓ A.R.a. a. Develop a proposal, which shall be followed by the office, for the dispensation  
22 of the plan's cash assets after all financial obligations of the plan and authority are  
23 satisfied. To the extent feasible and practical, the proposal shall provide for the  
24 return of any remaining equity to the source from which derived, including insurers,  
25 providers, and covered persons. The proposal shall provide for alternative

ARb.  
ARc.  
ARd.  
subdivision

subject to

1 dispensations in the event that returning any remaining equity is not feasible or  
2 practical, such as using remaining cash assets in support of activities providing an  
3 indirect benefit to the insurers, providers, and covered persons.

4 b. Dispose of the noncash assets of the authority as soon as possible after the  
5 administrative offices of the authority are closed.

6 c. Make any other decisions and take any other actions necessary to effectively  
7 wind up the operations and affairs of the authority and plan and transfer  
8 responsibility to the office. All actions taken by the board must be consistent with  
9 the purpose of, and may not endanger the solvency of, the plan.

10 958. 'Transfer to the office.' On the date that is 60 days after the date coverage  
11 under the plan terminates under subdivision 1. b., all of the following shall occur:

12 a. Administrative responsibility for the dissolution of the plan is transferred  
13 to the office. The commissioner shall take any action necessary or advisable to wind  
14 up the affairs of the plan in accordance with the proposal developed by the board  
15 under subdivision 7. a. <sup>subject to subdivision 8.4, R. b.</sup> and shall notify the legislative audit bureau when the windup  
16 is completed and provide to the legislative audit bureau the final financial  
17 statements of the plan. <sup>create a.r. (2)</sup>

18 b. All remaining cash assets of the plan, including the balance in the Health  
19 Insurance Risk-Sharing Plan fund, are transferred to the appropriation account  
20 under section 20.145 (5) (g) of the statutes, as created by this act.

21 c. All tangible personal property, including records, of the authority not already  
22 disposed of by the board is transferred to the office.

23 d. All contracts and agreements entered into by the board that are in effect are  
24 transferred to the office. The office shall carry out any contractual obligations under  
25 such a contract or agreement until the contract or agreement terminates or is

1 modified or rescinded by the office to the extent allowed under the contract or  
2 agreement.

3 e. Any matters pending with the authority or plan, including grievances and  
4 independent reviews, payment claims, subrogation claims, drug rebate claims, and  
5 legal actions or causes of action, are transferred to the office and all materials  
6 submitted to and actions taken by the office with respect to a pending matter are  
7 considered as having been submitted to or taken by the authority or plan.

8 10-9. 'Health Insurance Risk-Sharing Plan advisory committee.'

9 a. There is created, 60 days after the date coverage under the plan terminates  
10 under subdivision 1. b., a Health Insurance Risk-Sharing Plan advisory committee  
11 consisting of the commissioner, or his or her designee, and the other 13 members of  
12 the board holding office on the date the advisory committee is created.

13 b. If a vacancy occurs on the Health Insurance Risk-Sharing Plan advisory  
14 committee, the governor shall appoint a successor, who must meet the same  
15 qualifications and criteria as the member who is being replaced.

16 c. The Health Insurance Risk-Sharing Plan advisory committee shall advise  
17 and assist the office with its duties under subdivision 8.9 related to the dissolution and  
18 winding up of the plan. The office shall staff and provide funding for the Health  
19 Insurance Risk-Sharing Plan advisory committee.

20 d. The Health Insurance Risk-Sharing Plan advisory committee shall  
21 terminate 60 days after the final audit of the plan is conducted by the legislative  
22 audit bureau under subdivision 10.11 b.

23 11-10. 'Audits.' The legislative audit bureau shall do all of the following:

24 a. Conduct its annual audit of the plan under section 13.94 (1) (dh) of the  
25 statutes for calendar year 2013 by June 30, 2014.

1           b. Complete a final audit of the plan, after the termination of the plan in 2014,  
2       within 90 days after the office provides the final financial statements of the plan  
3       under subdivision <sup>9</sup> §. a.       this is a.r. (X)

4           c. File copies of the reports of both audits with the distributees specified in  
5       section 13.94 (1) (b) of the statutes. The costs of the audits shall be paid out of the  
6       funds of the authority and from the appropriation under section 20.145 (5) (g) of the  
7       statutes, as created by this act.

8           (2) MEDICARE SUPPLEMENT AND REPLACEMENT POLICY ISSUANCE.

9           (a) *Definitions.* In this subsection:

10          1. "Medicare" has the meaning given in section 149.10 (7) of the statutes.

11          2. "Medicare replacement policy" has the meaning given in section 600.03 (28p)  
12       of the statutes.

13          3. "Medicare supplement policy" has the meaning given in section 600.03 (28r)  
14       of the statutes.

15          4. "Plan" means the Health Insurance Risk-Sharing Plan under subchapter II  
16       of chapter 149 of the statutes.

17          (b) *Time-limited guaranteed issue.*

18          1. An insurer offering a Medicare supplement policy or a Medicare replacement  
19       policy in this state shall provide coverage under the policy to any individual who  
20       satisfies all of the following:

21           a. The individual is eligible for Medicare.

22           b. The individual had coverage under the plan.

23           c. The individual's coverage under the plan terminated on the date specified in  
24       subsection (1) (b) 1. b.

↑       ↑  
this    this  
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r.      a.r.  
(Q)    (R)



1           d. The individual applies for coverage under the policy before the date that is  
2   63 days after the date specified in subsection (1) (b) 1. b.

3           e. The individual pays the premium for the coverage under the policy.

4           2. An insurer under subdivision 1. may not deny coverage to any individual who  
5   satisfies the criteria under subdivision 1. a. to e. on the basis of health status, receipt  
6   of health care, claims experience, or medical condition, including disability.

7           (c) *Notice of requirement.* In addition to the requirement under subsection (1)  
8   (b) 1. b. to provide notice to the insurers described in paragraph (b) 1. of the date on  
9   which coverage under the plan terminates, within 60 days after the effective date of  
10   this paragraph the Health Insurance Risk-Sharing Plan Authority under  
11   subchapter III of chapter 149 of the statutes shall provide notice to the insurers  
12   described in paragraph (b) 1. of the requirement under this subsection.

13           **SECTION 9337. Initial applicability; Revenue.**

14           (1) HEALTH INSURANCE RISK-SHARING PLAN AUTHORITY; INCOME TAX. The  
15   treatment of sections 71.26 (1) (be) and 71.65 (4) of the statutes first applies to  
16   taxable years beginning on January 1, 2015.

17           **SECTION 9400. Effective dates; general.** Except as otherwise provided in  
18   SECTIONS 9422 and 9437 of this act, this act takes effect on July 1, 2013, or on the day  
19   after publication, whichever is later.

20           **SECTION 9422. Effective dates; Insurance.**

21           (1) NOTICE REGARDING THE HEALTH INSURANCE RISK-SHARING PLAN. The  
22   treatment of sections 631.36 (7) (a) (intro.), 1., and 2. and (b) and 632.785 of the  
23   statutes takes effect on December 31, 2013.

24           (2) DISSOLUTION OF THE HEALTH INSURANCE RISK-SHARING PLAN. The treatment  
25   of sections 1.12 (1) (b), 13.172 (1), 13.62 (2), 13.94 (1) (dh) and (1s) (c) 4., 13.95 (intro.),

1 16.002 (2), 16.004 (4), (5), and (12) (a), 16.045 (1) (a), 16.15 (1) (ab), 16.41 (4), 16.417  
2 (1) (a), 16.52 (7), 16.528 (1) (a), 16.53 (2), 16.54 (9) (a) 1., 16.70 (2), 16.72 (2) (e) (intro.)  
3 and (f), 16.75 (1m), (8) (a) 1. and 2., and (9), 16.765 (1), (2), (4), (5), (6), (7) (intro.) and  
4 (d), and (8), 16.85 (2), 16.865 (8), 20.435 (1) (am), 25.17 (63), 25.50 (1) (d), 40.02 (54)  
5 (L), 49.67 (3) (am) 2. a. and (6) (b) 1., 49.686 (6), 101.055 (2) (a), 230.03 (3), 230.80 (4),  
6 230.90 (1) (c), 601.41 (1), 601.415 (12), 601.64 (1), (3) (a) and (c), and (4), 613.03 (4),  
7 631.20 (1) (c) 5. and (2) (f), 632.897 (11) (a), 646.01 (1) (a) 2. k., and 895.514 and  
8 chapter 149 of the statutes takes effect on January 1, 2015.

9 **SECTION 9437. Effective dates; Revenue.**

10 (1) HEALTH INSURANCE RISK-SHARING PLAN AUTHORITY; PROPERTY AND SALES  
11 TAXES. The treatment of sections 70.11 (41m) and 77.54 (9a) (a) of the statutes takes  
12 effect on January 1, 2015.

13 (2) HEALTH INSURANCE RISK-SHARING PLAN AUTHORITY; ASSESSMENTS CREDIT. The  
14 treatment of sections 71.07 (5g) (a), (b), and (c) 1., 71.28 (5g) (a), (b), and (c) 1., 71.47  
15 (5g) (a), (b), and (c) 1., and 76.655 (1), (2), and (3) (a) of the statutes takes effect on  
16 January 1, 2015.

17 (3) HEALTH INSURANCE RISK-SHARING PLAN AUTHORITY; INCOME TAX. The  
18 treatment of sections 71.26 (1) (be), 71.65 (4), 71.78 (4) (i), and 71.80 (13) of the  
19 statutes takes effect on January 1, 2015.

20 (END)

2013-2014 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-1888/P6ins  
PJK:.....

INSERT 29-9

1

A.R.b.  
~~8~~

2 . 'Rules<sup>e</sup> for deviation.' If, due to unforeseen circumstances, the office is  
3 prevented from following any portion of the proposal under subdivision 7. a.,<sup>✓A.R.</sup>the  
4 office shall promulgate a rule that sets out the action the office intends to take that  
deviates from the proposal and that explains the reason the deviation is needed.

(END OF INSERT 29-9)

## Barman, Mike

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**From:** Barman, Mike  
**Sent:** Wednesday, May 08, 2013 8:11 AM  
**To:** Goldman, Amie - HIRSP  
**Subject:** LRB-1888/P6 (attached)



13-1888\_P6.pdf

**Mike Barman (Lead Program Assistant)**

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